

**5 Year Commissioning Investment programme  
for the supply of Planned and Demand Lead works and services to Oxford City Council  
Social Housing Tenants and Leaseholders by Oxford Direct Services Limited (ODSL)**

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## 1. Overview and Governance

The housing division is the Local Housing Authority for Oxford City Council, and through which it exercises its landlord responsibilities for the Housing Revenue Account (HRA), tenants and leaseholders.

The overarching strategic arrangements agreed between the Council (Oxford City Council and the Contractor (Oxford Direct Services Ltd) are framed within the Memorandum of Understanding approved by the Council's City Executive Board on the 21<sup>st</sup> Nov 2017 and the Service Agreement agreed on the 24<sup>th</sup> May, 2018. Together, these set out the overarching principles, purpose and governance arrangements for the delivery of Services by ODSL to and on behalf of the Council. These arrangements include delivery of works and services to tenants and leaseholders living in council housing assets.

In keeping with these arrangements, this document, sets out the commissioning arrangements and define the conditions and expectations of ODS in the delivery of the 5 Year Investment Programme to ensure that the council's housing stock is maintained, compliant and safe for tenants to live in. This updated approach is underpinned by the following key considerations;

- the need to take greater account of **residents changing needs**, providing a clearer platform from which they can influence and have a greater say about the services they receive and treating them with fairness and respect
- the **HRA financial challenges** from which the Council needs to operate going forward in response to changes in Housing legislation, in particular Building Safety and Compliance, the Social Housing Act 2023, related Consumer Standards as well as Leasehold reforms
- the need to provide **greater accountability of the HRA and transparency to tenants** and leaseholders on the use and spend of rent and service charges money, to ensure HRA resources are effectively managed and re-invested to ensure HRA assets and tenants' needs are not put at undue risk

## 2. The 5 Year Investment Programme Plan – 2025/2029 and Revenue works 2025/26

The changes in housing landscape have strengthen the council's ambition to develop a new investment programme that ensures the maintenance of Council's housing stock for the future based on sound knowledge and understanding of the performance of its housing stock. This new 5 year investment programme plan has been developed on the basis of the following five key criteria :

- 1) **A 40% of new stock condition data** – this is knowledge based on intelligence arising from an on-going stock condition survey expected to complete in March 2025. It is therefore intended that by preparing a 5 year rolling investment programme, reviewed annually this will enable an annual refresh incorporating new data available that reflect asset needs, tenants priorities and a more efficient re-allocation of funds across financial years. In addition, this approach has been designed to provide greater certainty in determining forward planning assumptions whilst offering the flexibility to address slippages, or accelerate elements of the programme, as the service requires.
- 2) **A new operating Housing regulation and inspection regime** - a running thread in this approach will also be the need to consistently ensure the application and compliance with new legislation requirements as issued by the Housing Regulator as part of the Social Housing Act 2023 and its four Consumer Standards, specifically the Safety and Quality Consumer Standard and Decent Home Standard. As the new Housing Regulator proactive regime develops, it will be imperative that both OCC Housing – the client and ODS are responsive to these changes in the development and delivery of the 5 Year Programme going forward.
- 3) **New client management arrangements** – revised client management arrangements which seek to remain consistent from the overarching Service Agreement agreed corporately between OCC and ODS. These client arrangements [*set out in Appendix D*] go further in setting out the client/provider operating practice and obligations to be followed by OCC and ODS. This procedure is aligned and complements this document by identifying the practical arrangements for the delivery of the commissioning of the 5 Year Programme plan
- 4) **Revised financial arrangements** – revising the existing financial *delegated* arrangements to an approach that better enables OCC to have financial payment arrangements that support a more robust HRA budget monitoring and management, and the pursuit of better value for money for the HRA. This also recognises, that in obtaining greater assurance of planned spend, this must go hand in hand with the need to provide clear specifications of work requirements by the client to ODS. These arrangements will also be critical in ensuring that the OCC is able to evidence viability and good governance of the HRA to the Social Housing Regulator as part of the new inspection regime. These arrangements are explained in in *section 8*.
- 5) **Transitional approach** - We will work to adopt a transition approach to implementing the new commissioning approach alongside the Year 1 programme delivery. This means that for year 1 of the 5 year programme we will commission similarly to previous year. It is expected that throughout year 1 we will also be working to transition and introducing the changes required – for example, completing the stock condition survey, put new client management arrangements in place, develop works specifications, KPIs etc. Towards the end of year 1 we will apply the annual review programme review based on the completion of the stock condition survey findings and remodel the rest of the four-year programme – at this point we will also look to add a further year. This means that a new 5 Year Programme (2026/27 – 2030/31) will emerge which will be delivered under the new commissioning arrangements that would have been achieved during the transitional year. This is with the understanding that some transitional activities will overlap into the new programme as not all transitional actions are expected to be completed.

### 3. Scope of works and delivery arrangements

The scope of the commissioning involves delivering maintenance and improvements to the following council assets (but not limited to):

Housing Revenue Account (HRA) Asset:	Asset numbers: (Note: the asset list below is subject to changes and to be updated by client)
HRA Housing stock	8000+ [7795 Council Housing, 719 Freehold, 12 Sheltered]
Garages/ under crofts	143
Estate Play Areas	8
Car parks	79
Ground maintenance / Trees	6765

A summary of the 5 Year investment programme is attached in *Appendix B*. The ODS proportion of commissioning is outlined below. The table below provides a summary of the works that is being commissioned to ODS. It is expected that clear specifications and consistent structures will be drawn up and agreed during the transitional year in readiness for full delivery of the 5-year programme. This will help ODS clearly understand and follow OCC's client requirements.

ODS Revenue Works – (demand-led)	
Spend area	£m
<b>Reactive Repairs</b> (D2D Repairs incl. Electrical, call-outs, Insurance)	5,951,258
<b>Void Repairs</b> (Void Works, Clearance and Decoration packs)	1,880,000
<b>Environmental Repairs</b> (Refuse, Grounds Maintenance, Trees, Pests, Window Cleaning, Est. Lighting)	1,445,000
<b>Compliance Repairs</b> (Asbestos, Fire Alarms, Emergency Lighting, Gas & Water)	1,995,000
<b>Other Revenue Spend Areas</b>	335,000
<b>Sub-Total ODS Revenue Works:</b>	<b>£11,606,258</b>

ODS – Capital Works (planned works)	
Spend Area	£m
<b>ODS Capital Works (Teckal)</b>	
<b>Safety &amp; Compliance</b> (Boilers, ReWires, CCUs, Smoke/Heat Detection, Boundaries & Gates)	20,238,169
<b>Street Properties (Capital Works)</b> (K&Bs, Cyclical Decks, Roofs, Windows & Doors, Flooring, Major Voids, Heating Systems)	36,255,501
<b>Blocks &amp; Flats (Capital Works)</b> (K&Bs, Cyclical Decks, Roofs, Windows & Doors, Flooring, Major Voids, Heating Systems)	20,193,860
<b>Other Non-Surveyed Spend Areas</b> (Play / Seating areas, Car Parks & EV points)	0
<b>Energy Efficiency</b> (Fabric Improvements paired with other Capital Works mentioned above)	0
<b>Sub-Total ODS Capital Works (planned works)</b>	<b>76,687,530</b>

**Annually** – In keeping with a similar principle to planned capital works - annual levels of demand will be assessed by both client and ODS. This will be discussed jointly based on data

performance and evidence. This will determine the setting of new budgets or any other changes needed.

**5 Year cycle** - It will also be necessary for a 5 Year Programme review to take place at the end of each 5-year cycle to help understand the effects of the planned maintenance works and make better informed decisions for future planned and demand led works.

Additionally, in line with the new Client management arrangements being put into place, the commissioned works will be subject to review on an annual basis to ensure that the needs of the service are adequately reflected in the programme and delivery measures become more outcome focused.

#### **Capital works – (Planned delivery) :**

The commissioning of services comprise of the following main strands, which can be delivered either in-house or sub-contracted. These have been groups by theme names as follows;

**Capital/Planned works will** generally be focused on a planned approach, based on stock condition data information and compliance needs – these will comprise;

- **Safety and Compliance works** – works to comply with our legal obligations as a landlord. This includes maintaining compliance on areas such as Fire Safety, Gas, Electrical Safety, lighting and other. It will also ensure we are compliant with the Safety and Quality Standard which requires landlords to provide safe and good-quality homes for their tenants, along with good-quality landlord services.
- **Works to Street Properties** – this takes from our cyclical programme to ensure we maintain homes to a decent home standard. This includes maintenance to tenants' homes, kitchens and bathrooms as well as communal areas, garages, storage and other related which also ensure that we meet our requirements in ensuring well-maintained homes and neighbourhoods
- **Works to Blocks and Flats** – as above, maintaining consistent maintenance and improvements to street properties as well blocks and flats. Priority works in these two areas responds also to what tenants have told us it is important to them in terms of maintaining their homes and local areas
- **Other Priority Spend areas** – this includes the maintenance and safe upkeep of Play areas, Car Parks for example - so these can be maintained, safe and benefit of tenants or leaseholders of Council Housing
- **Works to energy efficiency targets** – makes provision for investment to improve the energy efficiency of homes that are below an Energy Performance Certificate (EPC) 'C' rating.

#### **Revenue works (Demand led) :**

**Responsive/reactive Repairs** - these will be generally demand led works which will comprise of ;-

- Reactive repairs
- Voids repairs
- Environmental repairs
- Compliance repairs
- Adaptations

An efficient reactive repairs service plays an extremely important part in the overall customer satisfaction for tenants, but more importantly it keeps housing stock conditions well maintained. It is for this reason that the cost effectiveness of reactive repairs is in place as it forms one of the largest revenue expenditures within the HRA.

Within this, we see the call handling being an important part of the reactive/repairs service as it is the start of the customer journey. This is the stage where key information is gained from the resident which can be the difference between having a seamless customer journey and having continuous delays to complete what seems like a simple repair. We know this area needs to improve to support the other elements of better managing reactive works.

Within this, and to better manage the flow process and allocation reactive works (for example – reactive from emergencies that will also lead to better manage budget and mitigating overspends and compensations). A suite of actions will need to be carried out to improve the process. This will include;

- A risk-based prioritisation model (based on nature of work required and household composition – eg; routine, urgent and emergency repairs)
- Comprehensive property data and asset information
- ensure a mobile workforce technology for job scheduling/tracking
- Customer notifications and feedback mechanisms
- Robust management information systems and KPIs
- Health and safety compliance processes
- Reviewing call centre scripts
- Training and development of call centre staff

**In overall – in the the delivery of works (planned/demand-led)– ODS will deliver works ;**

- a. in the most efficient and effective way that delivers best value for tenants
- b. to maintain housing assets and safeguarding value
- c. Provide value-for-money, in particular, in carrying out both purchase and efficient use of materials and programming of resources
- d. that are able to provide evidence (if required) to the Housing Regulator, the building *golden thread* – ie information that allows the understanding of how tenants homes are maintained and kept safe
- e. that are within budgets allocated, and not require additional funding to that budgeted
- f. to enable council in the appropriate billing of leaseholders and freeholders for services provided to them, the timely resolution of queries related to such charges and the calculation of service charges for HRA tenants and for services provided by the Provider

In the delivery of services – it is acknowledged that there will be a degree of operational interfaces between OCC and ODS. It will be important therefore to ensure that interfaces remain clear and operate smoothly. For this purpose, the core client management function (*Appendix D*) will take lead responsibility for ensuring that there is an efficient and clear internal mechanism for engagement within the Housing service teams (sub-clients) and ensure smooth, constructive dialogue across teams.

### **Compliance, Health & Safety In the delivery of works and services**

The safety of OCC tenants will always remain a priority for the Council as a landlord. Within this, ODS will in the delivery of the commissioned works comply with Housing Regulator consumer standards [*Safety and Quality, Neighbourhood and Community, Tenancy, and Transparency, Influence, and accountability*], as well as all related housing, building and fire safety regulations that apply to the council as the registered provider of social housing and the tenants living in those homes and associated communal areas.

In the delivery of services, ODS will ensure that it supports the council with an accurate, up to date and evidenced understanding of the condition of council homes that will reliably inform the commissioning and in turn the provision of good quality, well maintained and safe homes for tenants and associated communal areas. In line with Housing Regulator requirements, it will also ensure that it has the appropriate policies and procedures in place and ensuring that all appropriate risk assessments, safety levels, regular routine and maintenance inspections are carried out systematically throughout the year.

It will ensure the compliance with the relevant requirements of the Health and Safety at Work etc. Act 1974, the Management of Health & Safety at Work Regulations 1999, The Construction (Design and Management) Regulations 2015, and of any other relevant legal provisions and codes of best practice pertaining to the health and safety of its own staff, the Council's employees, tenants, leaseholders, members of the public and others who may be affected by its performance and service delivery.

### **Out-of-scope**

Where works have not been included within the ODS commissioning – the council will revert to its procurement policy and procedures and seek delivery through that route. Within this, ODS is not expected to bid for these works if it does not feel it is commercially viable for them to do so at that stage.

In addition and for completeness, the following functions are not included within, or covered by this commissioning programme – these will continue to be retained and managed by OCC Housing;

- HRA Business Planning
- Asset management strategic planning
- strategic planning of planned maintenance
- Call centre services

#### 4. Works programme specifications and standards

It is recognised that currently, between OCC and ODS both have divergent set of specifications which are either; non-existing, out-dated or in draft format. Clear specifications are critical to ensuring that ODS delivers to OCC client requirements to also avoid conflicting views (disputes), risks and financial loss. The need for clear specifications will also respond to council complying with its landlord obligations arising from Housing Regulator and Building safety legislation which form part of the new safety regime – in particular having clear pathways on how buildings are maintained and made safe. For consistency and cost purposes, these specifications will need to align with repairs and maintenance material requirement and the servicing requirements.

##### **Specification for materials and contractor-delivered works**

The detailed product information for individual components required for many of the specifications will depend on the supply chain arrangements going forwards, as every supplier has own-brand or sole-supplier products which will meet the industry quality and standard requirements. Consistency between products installed as capital replacement and those needed for revenue repairs is essential to ensure availability of replacement parts and van stocks to improve first-time fix, minimise resident dissatisfaction and maximise purchasing power to drive down costs. The majority of these products and materials will be purchased through supply chain; details should be included in any procurement exercise. All other specifications (kitchen, bathroom, voids, etc) should refer to the material specifications agreed with supply chain. \*

The portfolio of products should also be used by the Development team for new builds.

Where possible the same approach should be taken for capital works that are contractor-delivered. Single manufacturer for fire alarms, lifts, door entry systems, communal boilers amongst others to minimise the need for multiple service, maintenance repairs contractors. This ensures consistency, simplifies contract management and again can be used to leverage costs.

##### **Specifications will be needed for:**

- Domestic Gas boilers. The range must cover heating and/or hot water supply with a range of sizes appropriate for the stock.
- Electric Heating and hot water: The range must cover heating and/or hot water supply with a range of sizes appropriate for the stock.
- Commercial boilers: the conformation and use of individual properties will dictate the mechanical specification. It would be prudent to review the entirety of the programme and identify properties where the same product range could be installed.
- Smoke/heat/CO<sup>2</sup> detectors and moisture monitoring equipment.
- Communal lighting (including Emergency/Maintained/Non-maintained)
- Front doors
- Windows (uPVC, timber, single/double/triple glazed)
- Fire doors

- Door entry systems (inc upgrades from 2g to 5g)
- Roof replacement and/or loft insulation.

*\*The materials specification will cover the entire product range – from paint (internal/external/fire-rated), sanitary ware, kitchen cabinets through to hinges, masonry and timber.*

### Component Specifications

The Property Services Team are currently preparing Performance Specifications for component replacements. Once drafted they will be shared with ODS for review, comment, discussion so these can be jointly agreed.

- Kitchen & Bathroom – to meet or exceed Decent Homes Standards.
- Wetroom
- Voids – to meet the Lettable Standard currently in development.
- Heating – to include Gas/Electric and going forwards renewables (Air/Ground Source heat pumps, solar panels, etcetera).

Specifications for gas and electrical work, both of which have significant regulatory requirements, will be developed and agreed by OCC and ODS.

In parallel with developing and agreeing the Performance Specifications, OCC will work with ODS to produce fit-for-purpose basket rates for each of the components that will improve budgeting for both Council and Contractor. This will include the process for costing and charging for items that are not included in the basket, or for quantities that exceed those included in the basket rate.

### Government and Social Housing Regulation standards

The continuous operating framework and new housing reforms set out clear management, standards and in some clear specifications as to how maintenance of council housing should be undertaken. The commissioning of works and annual reviews will need to take these changes into account as they are developed by Govt and Social Housing Regulator to ensure commissioning remains up-to-date and compliant with its landlord obligations. In particular but not limited to ;

Social housing Regulator – Consumer Standards : Safety and Quality, Transparency, Influence and Accountability standard, Neighbourhood and Community standard, Tenancy standard	OCC will be subject to providing evidence on the application of new Standards that form part of the new housing regulation and inspection regime. <i>(a Competence and Conduct standard is also expected that will ensure tenants receive a professional service and are treated with respect and dignity)</i>
Decent Home Standard	Govt minimum standards that social homes are required to meet [a revised Decent Home Standard is expected in 2025 – and this will need to be taken into account in future programme revisions
Awaab’s Law legislation	Expected in law before end of 2024 – brings set timescales for hazards such as damp and mould to be remedied
Leasehold Reforms 2024	Need to provide leaseholders greater transparency over



	their service charges and works delivered _
Building and Fire Safety	Safety requirements (incl big 6) for landlords to ensure the safety of tenants and leaseholders

OCC will ensure that the works commissioning programme is continually updated and guided by these standards [*and ongoing government changes*] and that ODS and any other providers, subcontractors meet these quality standards in the delivery of services for tenants, leaseholders across the borough.

## 5. Client Management arrangements

It is recognised that the existing HRA client management arrangements are insufficiently resourced and therefore not fit for purpose. Within the context of this new commissioning programme, the client team has a major role to play not only in setting a systematic approach that will ensure monitoring and delivery but critically will also set the tone for working relationship conditions between OCC and ODS. It is envisaged therefore, that during the transitional period – the establishment of a new HRA programme lead alongside a dedicated team will be established that will hold and lead on programme monitoring and delivery.

Work on this is being progressed but will be stepped in to ensure it is ready to engage with ODS to jointly establish the client management arrangements that will oversee the programme delivery over the coming period.

The monitoring and delivery of the programme will involve OCC – taking lead and managing all Client management functions for all works being commissioned to ODS. The detail of these arrangements are included in *Appendix D*. These include responsibilities for internal co-ordination arrangements, liaison with corporate shared services client leads, and performance monitoring and reporting of all HRA works commissioned to ODS. For this purpose, a clear set of client management arrangements have been developed. These arrangements are framed around the following overriding key points;

- two levels of client management meetings to be established (1) Strategic and (2) Operational. This is to ensure that both parties are working to common corporate objectives, delivery of services and any changes which may arise within the OCC Housing as a result of political and policy changes within the council.
- Each year in October, in consultation with the OCC Housing – client team, ODS will submit a Business Delivery Plan with the purpose of outlining how it intends to deliver the annual programme of works, service specifications and annual agreed savings
- Development of Key Performance measures to help understand progress and delivery of commissioned programme including achieving efficiencies and value for money

These arrangements are aligned to the overarching Service Agreement between council to ensure that governance, scrutiny and the interaction between commissioners and provider of services remain consistent across the two services.

## 6. Knowledge, Quality Management and data information processes

In meeting Social Housing Regulator requirements, it is critical that OCC and ODS collect, store, share and use data and knowledge in the delivery of the commissioned works for tenants and leaseholders. This includes information on residents, existing policies, maintenance schedules as well as finance as these will lead to making informed decisions about future works and service delivery and maintain legal and regulatory compliance.

It is expected that during the transition year, these arrangements will be put in place or strengthened where these exist. For example; it is recognised that ODS has ISO accredited quality and safety standards (ISO 9001 and ISO 45001) which may go towards contributing to client assurance in service delivery. These should look to understand how these align with Council quality management systems and arrangements. To also support the council in complying with Housing Regulator requirements around Knowledge and Management of Information it will ensure that it has robust data recording systems in the provision of services, including for capturing and recording tenant vulnerabilities, equalities as well as ensure that internal procedures are documented and that quality assurance procedures can be evidenced and audited externally / independently as required by the Housing Regulator.

## 7. Financial arrangements

It is acknowledged that the existing financial “*delegated*” arrangements adversely limit OCC’s ability to make decisions about works to be undertaken, which is particularly important in relation to demand-led works. And, that it affects their ability to monitor the quality and costs of works and services that are being delivered, and to exercise proper budget management. The inability of being unable to carry out proper budget management is evident in the persistent, annual budget overspends delivered by ODS in relation to the delegated budgets (and non-delegated). These issues in turn are diverting focus away from delivering better outcomes for tenants and value for money for the HRA.

The emerging Housing Revenue Account Business Plan explains the pressures, challenges and borderline financial position facing the HRA. It sets out plans for prioritising expenditure management over the next 5 years, and for delivering the better value for money and outcomes for tenants. This is particularly relevant across all the HRA commissioned responsive and planned maintenance works and services, which account for approximately 35% of all HRA expenditure.

In addition, the 5-year investment planning approach being prepared for managing the HRA assets, are underpinned by the need for an effective transition toward effectively managing the costs of delivery to the HRA and improving value for money over the period. This will require financial payment arrangements that support more robust HRA budget monitoring and management, and the pursuit of better value for money and Business Plan priorities. It will also prepare and strengthen OCC’s position in demonstrating viability and good governance of the HRA to an oncoming inspection.

## Financial controls

Improving the financial controls and budget management should therefore enable the HRA clienting team to better prioritise funding to specific areas of greatest need as well as exercise control of overspends. However, whilst improved investment planning and financial management should provide greater assurance of planned spend, this must go hand in hand with effective specifications of work requirements by the client team – for example, from defining emergency responsive works, a voids standard, to bathroom and kitchen requirements.

A key factor, to ensure focus and delivery, is the need for revising the current financial management arrangements, this is seen as a fundamental part of the effective client management function and a better understanding of performance delivery against costs. Key to this will also be the phasing out of the existing delegated budget approach as this impacts on OCC's ability to act as a responsible client that effectively manages delivery and its budgets and to hold ODS, as a contractor, to account. As a minimum these internal financial arrangements should provide that:

- OCC support ODS cashflow by paying monthly in advance based on an agreed payment profile. The advance payments from OCC Housing to ODS will be adjusted, on an agreed cycle, to reflect the value of services and works undertaken based on an agreed reconciliation process
- ODS will supply OCC with information necessary to enable the reconciliation process on a timely basis
- ODS will work with OCC to ensure the necessary realignment of the coding structures on the Council and the ODS ledgers to enable efficient and timely monitoring, reporting and accounting for expenditure and income by both parties
- There will be some flexibility in the commissioning of planned works by OCC to maximise the utilisation of ODS workforce, enable the prioritisation of works such as void repairs (which have financial implications for the Housing service if they are delayed) and to avoid an overall overspend against the Council's budget for the agreed programme for the year.
- ODS should work with OCC to avoid an overall overspend on the annual HRA repairs and maintenance budgets across responsive repairs and planned repairs
- ODS should provide OCC with information in an agreed form [to be developed] as necessary for the recharging of works, repairs and service costs as appropriate to HRA tenants and leaseholders, on a timely basis
- ODS should provide OCC with information as necessary to enable the Council to respond to any challenge from leaseholders on the cost of any works carried out by ODS and their value for money, on a timely basis
- ODS should work with OCC to facilitate the timely closure of both ODS and OCC Housing accounts at their financial year ends

- OCC should seek to achieve and maintain a system of internal control that ensures a price target model, schedule of works fees and basket rates form part of financial controls.
- OCC should ensure adequate financial support, systems and processes are established to ensure expenditure is logged against jobs in a manner that enables the costs of works to be identified and monitored against budget and where relevant recharged to tenants/leaseholders as appropriate
- ODS to ensure that where works in addition to the specification are proposed to be undertaken agreement and approval from the client must be sought
- In the event that budget or a planned workstream is projected to overspend then OCC will agree a re-prioritisation of works with ODS to ensure that total spend for the overall programme of capital or revenue funded works remains within the budgets available in the HRA.

In addition, these arrangements will also be supported by ODS playing its part in ensuring that every effort is made to secure efficiencies which can be achieved through:

- reduced prices, better source of materials
- reduced reliance on external contractors and improved productivity
- re-organisation of internal resources, better use of trades
- understanding/application of costs and mitigate overspends

Together these arrangements should serve to enable both OCC and ODS to put in place the necessary systems and processes required to ensure good governance, best value and financial viability for the HRA. The outcomes should lead to;

- Ensuring that OCC's Housing Revenue Account (HRA) is financially viable and properly managed, and performs its functions effectively.
- OCC delivers sufficient social housing and reinvestment in services that meet tenants and prospective tenants needs
- Ensures that best value for money for the HRA is obtained at all costs, ensuring capacity in investment and financial planning, in order to secure resilience against any risks

During the transition planning phase, it will also be crucial that work is carried early to establish best value efficiencies. In practice these should underpin the ODS Annual Delivery Plan that will be required once the renewed client management arrangements are in place and ODS is issued with an annual programme refresh.

The outcomes of the revised arrangements should lead to:

- Achieving good governance and viability of the HRA as well as demonstrating good value for money in readiness for oncoming inspection

- OCC being able to invest in services that meet tenants and prospective tenants needs, and provide additional social housing.
- HRA obtains better value for money and improve its resilience against future risks.

The changes required should be led by the OCC (Client and corporate finance) management who should initially jointly agree the internal changes needed and engage with ODS to agree overall financial payments against delivery costs, where appropriate agree annual savings targets as well as to put in place necessary systems and processes to ensure good governance, best value and financial viability for the HRA.

## 8. Service Delivery – Tenant and Leaseholder handling

### Meeting Social Housing Regulator – consumer standard

In seeking to better **meet the Housing Regulator Consumer Standard for tenants - Transparency, influence and accountability standard** – it is expected that OCC Housing alongside with ODS will seek to ensure – as a minimum ;

- Ensure a specific person/lead exists within both services who is responsible for the consumer standards, to enable the monitoring of application on the standards and report on them to the client-side, bearing in mind the requirement to self-refer for all non-compliance.
- ensure that when ODS engages directly with a tenant, that tenant is kept up to date from the start through to completion of that service, for example where there is a complaint, or a repair is required.
- ensure that there is robust data about tenants, including in relation to protected characteristics, and their support and communication needs;
- ensure there are opportunities to demonstrate (evidence) that tenants’ views are taken into account around services, and provide examples of how feedback has shaped and improved service delivery

The above will too, apply to the handling of leaseholders. Recognising the recent changes arising from the Leasehold Reform 2024, in particular the need for greater transparency on service charges and Section 20(b) requirements. Details of how leaseholders s20 consultations are to be handled will be clearly drawn up and agreed during the transitional year – as outlined in section 3a of this document.

### Customer service and complaints management

Changes arising from the Social Housing Act 2024 which places a duty on Housing Ombudsman to monitor compliance with the statutory Complaint Handling Code. This means that the Housing Ombudsman is required to ensure that all landlords meet the standards set out in the Code for complaint handling. Within this, the handling of tenants complaints process will ensure that ;

- providing easy access to the complaints procedure and ensuring residents are aware of it, including their right to access the Housing Ombudsman Service

- the structure of the complaint's procedure – in line with Code - only 2 stages necessary and clear times set out for responses
- ensuring fairness in complaint handling with a resident-focused process
- taking action to put things right and appropriate remedies
- creating a positive complaint handling culture through continuous learning and improvement
- demonstrating learning through client-side management arrangements between OCC Housing and ODS

Recognising this work is currently in progress across services (Housing /Property teams, Corporate and ODS), the key overriding outcome required for the purpose of this document is that clear complaint handling process exists and that it enables residents to be heard in the delivery of the works commissioned.

## 9. Service Delivery – Procurement, Contracts and Subcontracts

It is recognised that ODS will engage and will need to bring on board sub-contractors to enable delivery of the 5-year investment programme. However, it is expected that it will in the procurement and commissioning of works and services ODS will ;

- Maintain a current register of all contracts used to deliver the services during the commissioning period – with register being submitted on an annual basis
- procure and commission Works and Services to enable them to deliver the service specification programme requirements without the Client consent provided that it complies with procurement standards equivalent to those set out in the Council's overarching procurement policies and procedures including Contract Procedure Rules as amended from time to time
- continuously evidence that it is adhering to and complying with the council's procurement policy and process and that the structure is being supported, with clarity of roles and responsibilities ensuring contract ownership is contained within a contract management plan or similar
- ensure that it is able to demonstrate how it works with sub-contractors in the pursuit of achieving best value for money and better outcomes for tenants

## 10. Performance Monitoring , risks and audit

An effective performance management framework is vital to the effective delivery of the commissioning requirements. The Client management arrangements set out in *Appendix D* will also contribute to supporting these arrangements being in place. It is therefore expected that during the transitional period – OCC and ODS will agree a set of Key Performance Indicators (KPIs) that will monitor and measure the ;

- effective delivery of the programme in line with the specifications of this commissioning paper as well as ensuring effective management and co-ordination of sub-contractors brought in to support programme delivery
- effective management and delivery of programme – schedules and specifications
- effective and efficient use of resources to minimise the costs of delivering the works and services programme as much as possible
- effective management of changes/variations to the arrangements including service specifications and early identification of potential changes
- accurate as far as possible the forecasting of costs and budget profiling
- management of progress against targets and tenants/leaseholders expectations and effective management of arrangements and risks

### **Monitoring and reviewing performance**

The Client Management arrangements set out in *Appendix D* identifies the procedure to be followed for monitoring and reviewing performance, including the client/provider relationship and obligations to be followed by OCC and ODS. The procedures include:

- The Provider responsibilities for submitting monthly performance management information, and providing a trail for audit and Housing Regulator Inspection purposes
- Submission by the Provider to the Client each month, of outturns for KPIs in advance of the monthly client meetings; ideally providing a week's notice so that both sides can be prepared to address any exceptions or issues that have arisen.
- Progress against targets will be monitored and discussed at the monthly client meetings, together with relevant metadata on the performance measures such as direction of travel, month on month or seasonal variations in performance.
- Any matters arising that cannot be resolved within the scope of the client meeting will be subject to the escalation procedures described in the dispute resolution (*section 14*) of the management agreement
- Serious issues such as service failure, failure to comply with statutory or contractual obligations, or serious breaches of health and safety will need to be discussed at separately convened meetings, where the relevant officers and senior managers are present.

### **Risks, Audit, Scrutiny and Business Continuity**

In delivering the commissioning works ODS will:

**Risks** – ODS will maintain at all times an annual and up to date Risk Management register, and make such available to OCC Housing as requested. The risk register will;

- highlight any major risks to delivery and mitigation measures, which will need to be reviewed regularly by the ODS; and

- manage all on-site health and safety risks, all sub-contractor risks, all materials and logistics risks and the actions and inactions of its workforce and any sub-contractors used to deliver the Services and Planned works.

**Audit** - ODS will provide OCC or the Council's internal or external auditors access to information for any audit purpose in connection to these arrangements, including:

- providing access at reasonable times to premises or land used in the provision of its services;
- providing or having access to any information and explanation as deemed appropriate concerning any matter under consideration;
- providing full cooperation, including accountability for funds, properties under ODS control and provide access for inspection if required;
- giving full assistance and high priority in the investigation of fraud, bribery and corruption or any other irregularity; and
- responding positively and implementing any recommendations necessary to secure continuous improvement and effective internal control in the operation and delivery of services to OCC

**Scrutiny** - ODS will recognise and support OCC in responding to scrutiny and performance requirements from Council's committee's including but not limited to:

- The Council's Housing Scrutiny Committee
- Cabinet and lead Member for Housing as requested
- Tenant groups [as established]
- any other committee as advised by the Client

Both OCC and ODS will share information and experience from scrutiny and performance monitoring systems and regularly review and revise these as may be necessary to ensure clarity and accountability.

**Business continuity planning** - ODS will maintain a Business Continuity Plan that will identify the risks to the delivery of the works within these arrangements and identify procedures and plans that will mitigate the identified risks. The Business Continuity Plan will include but will not be limited to:

- Exceptionally severe weather (including exceptionally heavy snow conditions, flooding and high winds);
- the loss of access to staff;
- the loss of access to premises and delivery sites;
- Failure of technologies including vehicles and plant;
- Failure of the supply chain.

## 11. Changes and variations to the commissioning



OCC Housing and ODS will acknowledge that the actions, priorities and requirements of the council, acting in its HRA landlord capacity are subject to changes from time to time, in particular, those resulting from:

- The new regulatory inspection regime and statutory requirements
- Tenant and/or Leaseholder expectations as a result of complying with new *Transparency, Influence and Accountability (including Tenant Satisfaction Measures)*
- Council policy objectives as a result of changes in Council / departmental strategic objectives
- Any unforeseen events outside the control of OCC and ODS

Accordingly, this commissioning document may need to be varied to incorporate amendments that flow from such changes during 5 year period and further extensions. In addition, OCC will evaluate and make variations to the commissioned works programme to consider revisions to HRA and Asset Management plans, which may impact on ODS. Ideally, these should be done during the annual review cycle process as set out in the Client management arrangements (*Appendix D*) ;

These may include:

- Changes arising from stock condition surveys
- Legal and regulatory requirements (in particular those relating to building and fire safety and related matters)
- The impact of allocation and charges for works and services on Leaseholders arising from new Leasehold Reforms

Changes will be in discussion between OCC and the ODS and will be considered in any fees and impacts on any agreed efficiency targets.

## 12. Emergency and Critical Incidents

### Critical incidents

A critical incident is an event that causes severe impact, such as significant disruption or threat to the welfare and/or safety of council housing tenants or relevant groups which may occur during the period within which the commissioned works are delivered.

In the event of a critical incident occurring during the commissioned delivery period that involves tenants or leaseholders ODS will recognise the importance of the health and safety, and well-being of tenants and will action as follows:

- Immediately notify the Client Liaison / Chief Officer (Director of Housing) and keep him/her informed of developments on a regular basis
- OCC Housing will have the ultimate responsibility for managing any critical incident involving HRA land and will act as the Council's overall lead incident officer
- OCC Housing will have responsibility for informing the Lead Cabinet Member for Housing and keeping him/her informed on regular basis

- ODS will arrange for any immediate remedial action as instructed by OCC Housing and maintain an end to end log of events

## 13. Term, dispute, liabilities and Termination

### Term

As mentioned at the beginning of this document, this commissioning document is aligned to the overarching service agreement that exists between OCC and ODS. It is also therefore aligned to the 5 Year Programme schedule which officially takes effect from approval provided by Cabinet and cooling off-period.

### Dispute resolution

In the event of any dispute between OCC Housing and ODS arising out of or in connection with these arrangements both shall in the first instance use their reasonable endeavours to resolve it amicably between them in accordance with the following:

- **Stage 1** – OCC Housing and ODS (being the officers having day to day responsibility for or knowledge of the area which is the subject of the dispute) shall meet within 3 working days. If they are unable to agree a resolution at such meeting or if there shall be no appropriate officers of each of the parties available to attend such meeting then move to Stage 2
- **Stage 2:** The relevant Representatives or their nominated deputies who must be of a more senior position than those dealing with the dispute at Stage 1 shall meet within 3 working days. If they are unable to agree a resolution at such meeting or if there shall be no appropriate officers of each of the parties available to attend such meeting then move to Stage 3.
- **Stage 3:** The Housing Head [Director] of the Council and OCS Chief Operating Officer or their nominated deputies shall meet within 3 working days.

In seeking to resolve any dispute considered under Stage 1, Stage 2 or Stage 3 the parties shall apply the following principles:

- A spirit of mutual trust and co-operation.
- Both parties shall bear their own costs.
- Any unanimous decision shall be implemented.

Any decision made by OCC under the dispute procedure set out above shall be final and binding on both OCC Housing and ODS (save in the event of fraud or a mistake in law or material fact).

### Insurance and liability

ODS shall ensure it has all appropriate insurances in place as required by law and shall inform and update OCC Housing regularly in pursuant to the delivery of its works and services.

ODS shall also indemnify OCC Housing against all liabilities, costs, expenses, damages and losses suffered by OCC Housing in pursuant to the delivery of its works and services

**Termination**

This service specification is subject to annual reviews and serves to be in place for the same period of the 5 Year Programme Plan [2025-2030] and will terminate at such point – unless otherwise extended/amended to reflect changes in service needs with the agreement of both OCC Housing and ODS.

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